

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA,

2019 JUN 18

Plaintiff,

19-CR-115

v.

Case No.

[18 U.S.C. §§ 1028(a)(7), 1028(b)(1)(d),
1028(b)(2)(B), 1028(f); 1028A(a)(1);
1029(a)(2), 1029(b)(1), 1029(c)(1)(A)(i);
1343; 1349; and 2]

ROBERT A. GORDON,
a/k/a "OfficialJigLord,"

Defendant.

INDICTMENT

THE GRAND JURY CHARGES THAT:

Allegations Common to All Counts

At times material to this Indictment:

1. Kohl's Department Stores, Inc., ("Kohl's"), headquartered in

Menomonee Falls, Wisconsin, is a retail chain that purchases and sells products in
interstate and foreign commerce.

2. Kohl's operates hundreds of retail stores across the United States.

Kohl's also operates a website, Kohls.com, and a mobile device application, "Kohl's
App," through which customers may place online orders. For orders placed online,
customers are given the option of picking up the items at a Kohl's store or having
the items delivered directly to them.

3. Kohl's operates a customer loyalty rewards program called "Yes2You Rewards." Kohl's rewards program members earn rewards points based on purchases made at or through Kohl's. Those points are periodically converted into "Kohl's Cash." A certificate with the amount of Kohl's Cash, along with a bar code number, PIN number, and expiration date (which is usually 30 days after issuance), is periodically emailed to the member. Kohl's customers and rewards program members can also earn Kohl's Cash certificates directly based on the amount of money spent at or through Kohl's.

4. Loyalty rewards program members can view and print their Kohl's Cash certificates by setting up an account through Kohls.com or the Kohl's App. Members create a username (an email address) and a unique password to access their account. Each account includes a "wallet," which holds the total amount of Kohl's Cash available to the member.

5. The member can redeem Kohl's Cash for purchases at a Kohl's store or online through Kohls.com or the Kohl's App. If there is a balance left after application of Kohl's Cash to a purchase, the member can apply another payment form, such as a credit card.

6. Online orders placed through Kohl's website or through the Kohl's App generate wire transmissions that are sent via the internet to and through computer servers controlled by Kohl's outside the State of Wisconsin.

7. Information regarding members' Kohl's Cash, including available balance, is stored on computer servers controlled by Kohl's located in the Eastern

District of Wisconsin. All purchases of Kohl's merchandise, whether in a store or online, that involve the use or attempted use of Kohl's Cash certificates trigger a computer-generated validation check of the Kohl's Cash certificate. That validation check requires wire transmissions to be sent via the internet to and through Kohl's computer servers located in the Eastern District of Wisconsin.

COUNTS ONE THROUGH FOUR

THE GRAND JURY FURTHER CHARGES THAT:

8. From in or about June 2018, and continuing through at least May 19, 2019, in the Eastern District of Wisconsin and elsewhere,

ROBERT A. GORDON, a/k/a "OfficialJigLord,"

with intent to defraud, knowingly devised and participated in a scheme to defraud Kohl's and Kohl's loyalty reward program members and to obtain money and property by means of materially false and fraudulent pretenses and representations.

9. The essence of the scheme to defraud was to obtain, by false and fraudulent presentences and representations and without lawful permission, the value of Kohl's Cash certificates issued by Kohl's to other people and then profit from those stolen certificates.

The Scheme to Defraud

10. As part of the scheme, the defendant used, attempted to use, and aided and abetted the use of stolen usernames and passwords of Kohl's loyalty rewards program members to access those members' Kohl's accounts as if he was the

legitimate account holder, and steal Kohl's Cash certificate information by false and fraudulent pretenses and representations.

11. As further part of the scheme, the defendant fraudulently used the stolen Kohl's Cash certificate information on the false presentence that he was legitimately entitled to use such information, to place orders for Kohl's products, which he then used for his own benefit.

12. As further part of the scheme, the defendant advertised and sold stolen Kohl's Cash certificates through the Twitter account @OfficialJigLord. For the sales, the defendant would receive requests and transmit stolen Kohl's Cash information through Twitter direct messages.

13. As a result of the scheme, the defendant caused loss to Kohl's loyalty reward members who were temporarily and permanently unable to use the Kohl's Cash certificates.

14. As a result of the scheme, the defendant caused Kohl's to incur actual and potential losses exceeding \$300,000 due to Kohl's honoring stolen Kohl's Cash certificates that were used and sold by the defendant, and reimbursing loyalty reward program members whose stolen Kohl's cash certificates were used and sold by the defendant.

Wire Executions

15. On or about the dates indicated below, in the State and Eastern District of Wisconsin and elsewhere,
ROBERT A. GORDON, a/k/a "OfficialJigLord,"
for the purpose of executing the scheme described above and attempting to do so, knowingly caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below, each transmission constituting a separate count:

<u>Count</u>	<u>Date</u>	<u>Description of wire transmission</u>
1	11/20/2018	Kohl's Online Order #5872840937
2	12/27/2018	Kohl's Online Order #5892010593
3	03/07/2019	Kohl's Online Order #5904946102
4	04/03/2019	Kohl's Online Order #5909659930

Each in violation of Title 18, United States Code, Section 1343, 1349, and 2.

COUNT FIVE
(Trafficking Unauthorized Access Devices)

THE GRAND JURY FURTHER CHARGES THAT:

From in or around June 2018, through on or about May 19, 2019, in the State and Eastern District of Wisconsin and elsewhere,

ROBERT A. GORDON, a/k/a "OfficialJigLord,"

knowingly and with intent to defraud, trafficked in, and attempted to traffic in, one or more unauthorized access devices, namely, Kohl's Cash certificates, and by such conduct, during that same time period, obtained and attempted to obtain anything of value aggregating \$1,000 or more, such conduct affecting interstate and foreign commerce.

In violation of Title 18, United States Code, Sections 1029(a)(2), 1029(b)(1), 1029(c)(1)(A)(i), and 2.

COUNTS SIX THROUGH TEN
(Identity Theft)

THE GRAND JURY FURTHER CHARGES THAT:

On or around the following dates, in the State and Eastern District of Wisconsin and elsewhere,

ROBERT A. GORDON, a/k/a "OfficialJigLord,"

knowingly possessed, used, and transferred, and attempted to possess, use, and transfer, in and affecting interstate and foreign commerce, without lawful authority, a means of identification of another person, namely, Kohl's Cash certificates, with the intent to commit, and to aid and abet, and in connection with Access Device Fraud in violation of 18 U.S.C. §§ 1029(a)(2), and Wire Fraud in violation of 18 U.S.C. § 1343, and as a result of the offense, obtained and attempted to obtain anything of value aggregating \$1,000 or more during any 1-year period.

<u>Count</u>	<u>Date</u>	<u>Means of Identification</u>
6	11/20/2018	Kohl's Cash #xx4640 issued to J.R.
7	12/27/2018	Kohl's Cash #xx3452 issued to M.F.
8	03/07/2019	Kohl's Cash #xx0714 issued to M.L.
9	04/03/2019	Kohl's Cash #xx8226 issued to C.L.
10	04/03/2019	Kohl's Cash #xx8344 issued to C.B.

Each in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(d), (b)(2)(B), (f), and 2.

COUNTS ELEVEN THROUGH FOURTEEN
(Aggravated Identity Theft)

THE GRAND JURY FURTHER CHARGES THAT:

On or about the dates listed below, in the State and Eastern District of Wisconsin and elsewhere,

ROBERT A. GORDON, a/k/a "OfficialJigLord,"

knowingly possessed, used, and transferred, without lawful authority, a means of identification of another person, namely stolen Kohl's Cash certificates issued by Kohl's to an individual with the below-listed initials, during and in relation to the below-listed felony offense charged in this Indictment, knowing that the means of identification belonged to another actual person:

<u>Count</u>	<u>Date</u>	<u>Felony Offense</u>	<u>Initials</u>
11	11/20/2018	Wire Fraud as charged in Count One	J.R.
12	12/27/2018	Wire Fraud as charged in Count Two	M.F.
13	03/07/2019	Wire Fraud as charged in Count Three	M.L.
14	04/03/2019	Wire Fraud as charged in Count Four	C.B.

Each in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

FORFEITURE NOTICE

1. Upon conviction of one or more of the wire fraud offenses, in violation of Title 18, United States Code, Section 1343, set forth in this Counts One through Four of this Indictment, the defendant, Robert Gordon, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense or offenses. The property to be forfeited includes, but is not limited to, a sum of money equal to the proceeds derived from the offense or offenses.

2. Upon conviction of the access device fraud offense, in violation of Title 18, United States Code, Section 1029, set forth in Count Five of this Indictment, the defendant, Robert Gordon, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Sections 982(a)(2)(B) and 1029(c)(1)(C), any property constituting, or derived from, proceeds that the defendant obtained, directly or indirectly, as a result of the offense, and any personal property used or intended to be used to commit the offense. The property to be forfeited includes, but is not limited to, a sum of money equal to the proceeds derived from the offense.

3. Upon conviction of one or more of the identity theft offenses, in violation of Title 18, United States Code, Section 1028, set forth in Counts Six through Ten of this Indictment, the defendant, Robert Gordon, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Sections

982(a)(2)(B) and 1028(b)(5), any property constituting, or derived from, proceeds that the defendant obtained, directly or indirectly, as a result of the offense, and any personal property used or intended to be used to commit the offense. The property to be forfeited includes, but is not limited to, a sum of money equal to the proceeds derived from the offense.

4. If any of the property described above, as a result of any act or omission by the defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third person; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be subdivided without difficulty, the United States of America shall be entitled to forfeiture of substitute property, including but not limited to the following, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A TRUE BILL:



FOREPERSON

Dated: 6/18/19



MATTHEW D. KRUEGER
United States Attorney